

ENTERED  
DEC 27 1999  
#10

FILED  
DEC 23 1999  
STATE OF OREGON  
MARION COUNTY COURTS

IN THE CIRCUIT COURT OF THE STATE OF OREGON  
FOR THE COUNTY OF MARION

MACK DRILLING COMPANY, INC.,  
an Oregon Corporation,

Plaintiff,

vs.

SANTIAM POINTE, L.L.C.,  
an Oregon Limited Liability Company,

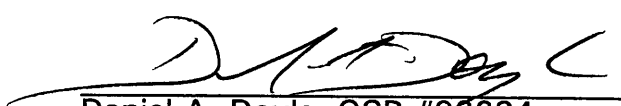
Defendants.

Case No. 99C 18165

NOTICE OF DISMISSAL  
WITH PREJUDICE

Pursuant to ORCP 54(A)(1), Plaintiff Mack Drilling Company, Inc., by and through counsel Daniel A. Doyle hereby serves Notice that the above-captioned action is dismissed with prejudice, as Plaintiff has settled and compromised with Defendant regarding all claims.

Dated this 20 day of December, 1999.

  
Daniel A. Doyle, OSB #92284  
of Attorneys for Plaintiff

ENTERED

OCT 05 1999

# 11

STATE OF OREGON  
MARION COUNTY COURTS

OCT 05 1999

FILED #4

IN THE CIRCUIT COURT OF THE STATE OF OREGON  
FOR THE COUNTY OF MARION

MACK DRILLING COMPANY, INC.,  
an Oregon Corporation,

Plaintiff,

vs.

SANTIAM POINTE, L.L.C.,  
an Oregon Limited Liability Company,

Defendants.

Case No. 99C18165

COMPLAINT

(Breach of Contract)

Plaintiff Mack Drilling Company, Inc., by and through counsel Daniel A. Doyle  
and the law offices of Connolly & Doyle, LLP, alleges:

THE PARTIES

1.

Plaintiff Mack Drilling Company, Inc. is, and was at all relevant times hereto, an  
Oregon corporation, with its principal place of business in Salem, Marion County,  
Oregon.

2.

Defendant Santiam Pointe, L.L.C., is, and was at all relevant times hereto, an  
Oregon limited liability company, with its principal place of business in Salem, Marion  
County, Oregon.

FACTUAL BACKGROUND

4.

On or about April 19, 1999 and May 14, 1999, the principals of the Defendant  
Santiam Pointe, L.L.C. became indebted to Plaintiff for drilling services performed by  
Plaintiff during the time period April 20, 1999 through May 20, 1999, for an

Connolly & Doyle, LLP  
2731 Twelfth Street Southeast  
P.O. Box 3095  
Salem, Oregon 97302  
(503) 585-2054

1 aggregate sum in the amount of \$21,161.00.

2 5.

3 On or about April 29, 1999, Plaintiff received a partial payment from the  
4 principals of Defendant Santiam Pointe, L.L.C. in the amount of \$4,925.00. On or  
5 about June 23, 1999, Plaintiff received a second partial payment from the principals  
6 of Defendant Santiam Pointe, L.L.C. in the amount of \$5,000.00.

7 6.

8 On or about July 2, 1999, the principals of Defendant Santiam Point, L.L.C.  
9 were indebted to Plaintiff in the amount of \$16,813.90, based on the accumulation  
10 of principal and interest.

11 7.

12 On or about July 14, 1999, the Plaintiff entered into a good faith agreement  
13 whereby the principals of Defendant Santiam Pointe, L.L.C. would execute a  
14 Nonnegotiable Promissory Note on behalf of Defendant to pay Plaintiff the sum of  
15 \$16,813.90, together with interest thereon at the rate of 1.50% per month from the  
16 date of the Nonnegotiable Promissory Note, in one payment of not less than  
17 \$16,813.90, including interest, payable on or before September 30, 1999. A copy  
18 of the Nonnegotiable Promissory Note is attached as Exhibit 1 and incorporated herein  
19 by reference.

20 8.

21 As security for the aforementioned Nonnegotiable Promissory Note (Exhibit 1),  
22 Defendant Santiam Pointe, L.L.C. agreed to execute a Deed of Trust on certain  
23 property located in Marion County, Oregon, generally described as land for a planned  
24 subdivision in Mill City, Oregon, to be known as the Village at Santiam Pointe. A copy  
25 of the Deed of Trust is attached as Exhibit 2 and incorporated herein by reference.

26 9.

27 On or about July 14, 1999, the members of Defendant signed the

aforementioned Deed of Trust (Exhibit 2), but failed to notarize their signatures, thus precluding Plaintiff from having the Deed of Trust recorded in the Marion County records.

10.

Plaintiff has made several requests to Defendant to comply with the terms of the Nonnegotiable Promissory Note that provides that the Note shall be secured by a Trust Deed and Defendant has not responded to those requests.

11.

As of the date of Plaintiff filing this Complaint, Defendant has not paid the amount due and owing on September 30, 1999.

**PLAINTIFF'S FIRST CLAIM FOR RELIEF**  
**(Breach of Contract)**

12.

Plaintiff realleges paragraphs 1 through 11, above, and incorporates said paragraphs herein.

13.

Defendant's failure to pay the amount due and owing on September 30, 1999, in accordance with the terms of the Nonnegotiable Promissory Note is a breach of Defendant's duty to pay Plaintiff the sum of \$16,813.90, together with interest thereon at the rate of 1.50% per month from the date of the agreement.

14.

Defendant's failure to have the Deed of Trust (Exhibit 2) notarized, thus precluding Plaintiff from having the Deed of Trust recorded in Marion County records is a breach of the Defendant's duty as described in the Nonnegotiable Promissory Note to have the Nonnegotiable Promissory Note "secured by a security interest in certain real property identified in the Trust Deed \* \* \*."

15.

Defendant's failure to have the Deed of Trust (Exhibit 2) notarized, thus precluding Plaintiff from having the Deed of Trust recorded in Marion County records is a violation of the implied covenant of good faith and fair dealing.

16.

As a result of Defendant's breach of contract, Plaintiff suffered economic damages in the amount of no less than \$16,813.90, plus interest to date, as will be proven at trial.

17.

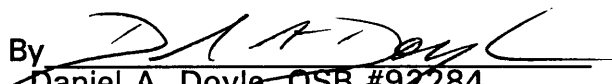
As a result of Defendant's breach of contract, Plaintiff is entitled to reasonable costs and attorney fees, pursuant to ORS 20.096.

WHEREFORE, Plaintiff prays for judgment against the Defendants as follows:

- a. For Plaintiff's FIRST CLAIM FOR RELIEF against Defendant Santiam Pointe, L.L.C., the sum of \$16,813.90, plus interest to date in economic damages, and reasonable costs and attorney fees.
- b. Reasonable costs and disbursements incurred herein.
- c. Other relief as the Court deems just and proper.

DATED this 5 day of October, 1999.

CONNOLLY & DOYLE, LLP

By   
Daniel A. Doyle, OSB #92284  
of Attorneys for Plaintiff

When Recorded, Mail To:  
Daniel A. Doyle  
Connolly & Doyle, LLP  
Po Box 3095  
Salem, Oregon 97302

## NONNEGOTIABLE PROMISSORY NOTE

US \$16,813.90

MADE BY: SANTIAM POINTE, L.L.C. ("Borrower")  
an Oregon Limited Liability Company

PAYABLE TO: MACK DRILLING COMPANY, INC. ("Lender")  
an Oregon corporation

DATE: July 14, 1999.

Borrower promises to pay only to Lender the sum of \$16,813.90, together with interest thereon at the rate of 1.50% per month from the date of this note, in one payment of not less than \$16,813.90, including interest, payable on or before August 1, 1999.

September 30

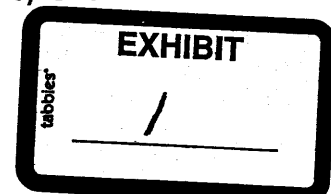
Borrower may prepay a portion or all of the balance at any time. However, excess payments or prepayments shall not be credited in inverse order of maturity and shall not be credited as regular future payments, nor excuse Borrower from making the regular annual payments provided above.

All payments shall be applied first to accrued interest to date of payment and then to principal.

This note represents the balance of the cost of drilling services provided by Lender to Elkhorn Valley Estates, LLC, during the time period April 20, 1999 through May 20, 1999, under the terms of two contracts between Lender and Elkhorn Valley Estates, LLC, dated April 19, 1999 and May 14, 1999, respectively. This note is nonnegotiable.

This note is secured by a security interest in certain real property identified in the Trust Deed and is subject to the agreements concerning the security and other provisions of the Trust Deed as if fully set forth here.

In the event payment is not made as required by this note, Lender may employ an attorney for purposes of collection and, in such event, Borrower shall reimburse Lender's reasonable costs and attorney fees incurred thereby. If any litigation is instituted to enforce payment of this note, the prevailing party shall



recover from the other party, in addition to costs and disbursements allowed by law, such sums as the court may allow as attorney fees in the litigation, including any appeals.

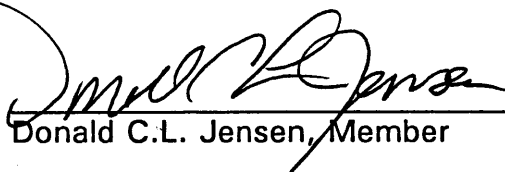
**BY SIGNING BELOW**, Borrower accepts and agrees to the terms and covenants contained in this Promissory Note.

**BY SIGNING BELOW**, the individuals signing represent that they have the authority to bind the LLC, based on the affirmative vote of at least 75% of the ownership interests in the LLC, pursuant to Article 7 of the LLC's Articles of Organization.

For Santiam Pointe, LLC:



Charles A. Sides, Member



Donald C.L. Jensen, Member

On this \_\_\_\_ day of July, 1999, before me personally appeared Charles A. Sides and Donald C.L. Jensen, who being duly sworn, stated that they are members of Santiam Pointe, L.L.C., an Oregon Limited Liability Company, and acknowledged the foregoing instrument to be the voluntary act and deed of the Limited Liability Company, executed by authority of its members.

\_\_\_\_\_  
Notary Public for Oregon

My commission expires: \_\_\_\_\_

When Recorded, Mail To:  
Daniel A. Doyle  
Connolly & Doyle, LLP  
Po Box 3095  
Salem, Oregon 97302

## DEED OF TRUST

THIS DEED OF TRUST ("Security Instrument") is made on July \_\_\_\_, 1999. The Grantor is Santiam Pointe, L.L.C. ("Grantor"). The Trustee is Daniel A. Doyle ("Trustee"). The beneficiary is Mack Drilling Company, Inc. ("Beneficiary"), which is organized and existing under the laws of the state of Oregon and whose address is 1345 12th Street SE, PO Box 12067, Salem, Oregon 97309-0067.

Grantor owes Beneficiary the principal sum of **SIXTEEN THOUSAND EIGHT HUNDRED THIRTEEN AND 90/100 DOLLARS (US \$16,813.90)**. This debt is evidenced by Grantor's note dated the same date as this Security Instrument ("Note"), which provides for full payment due and payable on August 1, 1999, if not paid earlier. This Security Instrument secures to Beneficiary (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 3 to protect the security of the Security Instrument; and (c) the performance of Grantor's covenants and agreements under this Security Instrument and the Note. For this purpose, Grantor irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in Marion County, Oregon:

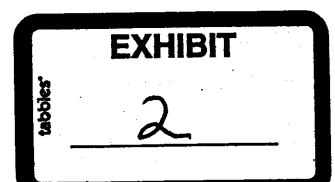
See legal description attached hereto as Exhibit A and made a part hereof,

which can generally be described as land for a planned subdivision in Mill City, Oregon, to be known as the Village at Santiam Pointe ("Property").

TOGETHER WITH all interests, estates, and rights that Grantor now has or may acquire in (1) the Property; (2) any and all options, agreements, and contracts for the purchase or sale of all or any part or parts of the Property or interests in the Property; (3) all easements, rights-of-way, and rights used in connection with the Property or as a means of access to the Property; and (4) all tenements, hereditaments, and appurtenances in any manner belonging, relating, or appertaining to the Property.

GRANTOR COVENANTS that Grantor is lawfully seised of the Property hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for the encumbrances of record. Grantor warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.





**UNIFORM COVENANTS: Grantor and Beneficiary agree:**

**1. Payment of Principal and Interest; Prepayment and Late Charges.** Grantor shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

**2. Charges; Liens.** Grantor shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any,. Grantor shall pay these obligations on time directly to the person owed payment. Grantor shall promptly furnish to Beneficiary all notices of amounts to be paid under this paragraph. If Grantor makes these payments directly, Grantor shall promptly furnish to Beneficiary receipts evidencing the payments.

Grantor shall promptly discharge any lien which has priority over this Security Instrument unless Grantor (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Beneficiary; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Beneficiary's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Beneficiary subordinating the lien to this Security Instrument. If Beneficiary determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Beneficiary may give Grantor a notice identifying the lien. Grantor shall satisfy the lien or take one or more of the actions set forth above within 10 days of giving the notice.

**3. Protection of Beneficiary's Rights in Property.** If Grantor fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Beneficiary's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then Beneficiary may do and pay for whatever is necessary to protect the value of the Property and Beneficiary's rights in the Property. Beneficiary's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Beneficiary may take action under this Paragraph 3, Beneficiary does not have to do so.

Any amounts disbursed by Beneficiary under this paragraph 3 shall become additional debt of Grantor secured by this Security Instrument. Unless Grantor and Beneficiary agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Beneficiary to Grantor requesting payment.

**4. Inspection.** Beneficiary or its agent may make reasonable entries upon and inspections of the Property. Beneficiary shall give Grantor notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

**5. Successors and Assigns Bound; Joint and Several Liability.** The covenants and agreements of this Security Instrument shall bind and benefit the

successors and assigns of Grantor and Beneficiary, subject to the provisions of paragraph 8. Grantor's covenants and agreements shall be joint and several.

**6. Notices.** Any notice to Grantor provided for in this Security Instrument shall be given by delivering it or by mailing by first class mail unless applicable law requires use of another method. The notice shall be directed to the address listed below or any other address Grantor designates by notice to Beneficiary. Any notice to Beneficiary shall be given by first class mail to Beneficiary's address stated herein or any other address Beneficiary designates by notice to Grantor. Any notice provided for in this Security Instrument shall be deemed to have been given to Grantor or Beneficiary when given as provided in this paragraph.

**7. Governing Law; Severability.** This Security Instrument shall be governed by the law of the state of Oregon. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and Note are declared to be severable.

**8. Transfer of the Property or a Beneficial Interest in Grantor.** If all or any part of the Property or any interest in it is sold or transferred, or if a beneficial interest in Grantor is sold or transferred without Beneficiary's prior written consent, Beneficiary may, at its option, require immediate payment in full of all sums secured by this Security Instrument. If Beneficiary exercises this option, Beneficiary shall give Grantor a 30-day notice of acceleration, requiring Grantor to pay all sums secured by this Security Instrument. If Grantor fails to pay these sums prior to the expiration of this period, Beneficiary may invoke any remedies permitted by this Security Instrument without further notice or demand on Grantor.

**NON-UNIFORM COVENANTS.** Grantor and Beneficiary further covenant and agree as follows:

**9. Acceleration; Remedies.** Beneficiary shall give notice to Grantor prior to acceleration following Grantor's breach of any covenant or agreement in this Security Instrument. The notice shall specify; (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Grantor, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Grantor of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Grantor to acceleration and sale. If the default is not cured on or before the date specified in the notice, Beneficiary, at its option, may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Beneficiary shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 9, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Beneficiary invokes the power of sale, Beneficiary shall execute or cause Trustee to execute a written notice of the occurrence of an event of default and of Beneficiary's election to cause the Property to be sold and shall cause such notice to be recorded in each county in which any part of the Property is located. Beneficiary or Trustee shall give notice of sale in the manner prescribed by applicable law to Grantor and to other persons prescribed by applicable law. After the time required by applicable law, Trustee, without demand on Grantor, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Beneficiary or its designee may purchase the Property at any sale.

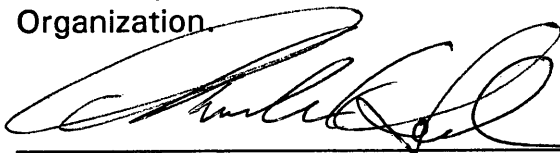
**10. Reconveyance.** Upon payment of all sums secured by this Security Instrument, Beneficiary shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty and without charge to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs.

**11. Substitute Trustee.** Beneficiary may, from time to time, remove Trustee and appoint a successor trustee to any Trustee appointed hereunder. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by applicable law.

**12. Attorneys' Fees.** As used in this Security Instrument and in the Note, "attorneys' fees" shall include any attorneys' fees awarded by an appellate court.

**BY SIGNING BELOW,** Grantor accepts and agrees to the terms and covenants contained in this Security Instrument.

**BY SIGNING BELOW,** the individuals signing represent that they have the authority to bind the LLC, based on the affirmative vote of at least 75% of the ownership interests in the LLC, pursuant to Article 7 of the LLC's Articles of Organization.



Charles A. Sides, Member  
For Santiam Pointe, LLC



Donald C.L. Jensen, Member  
For Santiam Pointe, LLC

On this \_\_\_ day of July, 1999, before me personally appeared Charles A. Sides and Donald C.L. Jensen, who being duly sworn, stated that they are members of Santiam Pointe, L.L.C., an Oregon Limited Liability Company, and acknowledged the foregoing instrument to be the voluntary act and deed of the Limited Liability Company, executed by authority of its members.

\_\_\_\_\_  
Notary Public for Oregon  
My commission expires: \_\_\_\_\_

## EXHIBIT "A"

## EXHIBIT "A"

## PARCEL I:

A portion of Section 29 in Township 9 South, Range 3 East of the Willamette Meridian, Marion County, Oregon, described as follows: Beginning at a point which bears North 1120 feet and East 330 feet from the Southwest corner of said Section 29, said point being the Northwest corner of that certain tract of land conveyed to Mill City Planing and Processing Company by deed recorded at Book 226, Page 180, Deed Records of said Marion County, and said point being 20 feet Southerly from the South bank of the power ditch when measured at right angles thereto; thence Easterly along a line which is 20 feet Southerly from and parallel to the South bank of said power ditch to the Northeast corner of said tract; thence Southerly along the Easterly boundary of said tract to the North bank of the North Santiam River; thence Northerly along said bank to the mouth of Cedar Bridge Creek; thence Northerly along the Westerly bank of said creek to the southerly right of way of the Southern Pacific Railroad; thence Westerly along said Southerly railroad right of way line to the most Easterly corner of that certain parcel of land conveyed to said Mill City Planing and Processing Company by deed recorded at Book 226, Page 179, Deed Records of said Marion County, said point being 10 feet Northerly from the North bank of said power ditch, when measured at right angles thereto; thence Westerly 10 feet Northerly from and parallel to said North bank of said power ditch to the Southwesterly corner of said parcel described at Book 226, Page 179, (which point may be arrived at by commencing at a point which bears North 1333.2 feet and East 30.7 feet from the Southwest corner of said Section 29; thence Easterly, parallel to and 16 feet Southerly from the Southerly right of way line of the Southern Pacific railroad, a distance of 402 feet; thence South 10° West 137.0 feet to the point in question); thence Southwesterly to the point of beginning.

Beginning at a point 1333.2 feet North and 30.7 feet East of the Southwest corner of Section 29 in Township 9 South, Range 3 East of the Willamette Meridian, in Marion County, Oregon; said point of beginning being on the East line of the highway and 16 feet perpendicular to the South line of the Southern Pacific Railroad right of way; thence running Easterly parallel with said railroad right of way 402 feet; thence South 10° West 137 feet to a point 10 feet perpendicular from the North bank of the power ditch; thence Easterly parallel with the North bank of said ditch and at a distance of 10 feet therefrom to the South line of the said Southern Pacific Railroad right of way; thence Northerly and Westerly along the South line of said Railroad right of way 1080 feet to the East line of the county highway; thence Southwesterly along said highway 18 feet, more or less, to the point of beginning.

SAVE AND EXCEPT THEREFROM that portion described in instrument recorded in Reel 198, Page 1780, Microfilm records, Marion County, Oregon, as follows:

A portion of that property described in Volume 226, Page 179 of the Marion County Deed Records, said parcel being more particularly described as follows: Beginning at a point 1333.2 feet North and 30.7 feet East of the Southwest corner of Section 29 in Township 9 South, Range 3 East of the Willamette Meridian in Marion County, Oregon; said point of beginning being on the East line of the highway and 16 feet perpendicular to the South line of the Southern Pacific Railroad right of way (abandoned); thence running Easterly parallel with the said railroad right of way line 300 feet; thence northerly on a radial line 16 feet to the south line of said railroad right of way; thence Easterly along the South line of said railroad right of way to the East line of the highway; thence Southerly along the East line of said highway to the point of beginning.

## PARCEL II:

Beginning at a point 1120 feet North and 330 feet East of the Southwest corner of Section 29 in Township 9 South, Range 3 East of the Willamette Meridian in Marion County, Oregon, said point at the intersection of the West wall of the fuel bin to the boiler room of the Hammond Lumber Company mill projected Northerly to a point 20 feet from the South bank of the Hammond Lumber Company

ditch; thence running South 16° West along said projection 110 feet to the meander line of the right bank of the North Santiam River; thence South 58° East 605 feet; thence South 42° West 590 feet; thence South 63° East 200 feet; thence North 69° East 400 feet; thence North 62° 15' East 640 feet, more or less, to a corner of a tract deeded by the Hammond Lumber Co. to T. W. Allen; thence North 80 feet, more or less, to a point 20 feet from the South bank of the Hammond ditch; thence Northwesterly parallel with the South bank of said ditch and at a 20 feet distance therefrom to the point of beginning.

Real Property Tax Account No.: 66565-000

Situs Address as disclosed by Marion County Tax Roll: None shown

**PARCEL III:**

That portion of the West half of the Southwest quarter of Section 29, Township 9 South, Range 3 East, Willamette Meridian in Marion County, Oregon, bounded and described as follows:

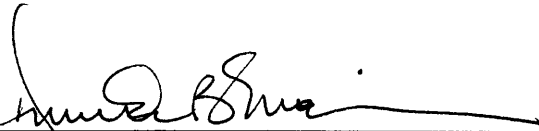
Beginning at an iron pipe set 1135 feet North and 330 feet East of the Southwest corner of said Section 29; thence South 16° 00' West 110.00 feet to a meander corner on the North bank of the North Santiam River; thence North 51° 50' West along a meander line of said North bank a distance of 115.90 feet to a fence corner of Pacific Power & Light Company; thence North 18° 53' 10" East 270.96 feet following along said fence and extension thereof to a point 16.00 feet southerly from the southerly line of the Southern Pacific Railroad right of way; thence South 77° 47' 30" East 130.46 feet following along a line parallel to and 16.00 feet from said southerly line of said right of way; thence South 10° 00' West 126.00 feet; thence South 45° 33' West 100.74 feet to the place of beginning, more or less.

**SUBJECT TO:**

1. The rights of the public in and to that portion of the premises herein described lying within the limits of roads, streets and highways.
2. The following matters are excluded from the coverage of the policy based on the proximity of the subject property to North Santiam River, Hammond Ditch and Cedar Bridge Creek:
  - 1) Rights of the public and of governmental bodies (including claims of ownership) and the ownership of the State of Oregon in and to that portion of the premises herein described lying below the high water mark of North Santiam River and Cedar Bridge Creek as it now exists or has existed.
  - 2) Any adverse claim based on the assertion that:
    - a) Some portion of said land has been created by artificial means, or has acceded to such portions so created.
    - b) Some portion of said land has been brought within the boundaries thereof by an avulsive movement of North Santiam River or Cedar Bridge Creek, or has been formed by accretion to such portion.
    - c) Any adverse claim based upon the assertion that North Santiam River or Cedar Bridge Creek has changed in location.
3. An easement created by instrument, including the terms and provisions thereof,

Dated: September 2, 1968  
Recorded: September 10, 1968 in Book 663, Page 349  
Deed Records, Marion County, Oregon  
In favor of: City of Mill City  
For: sewer lines
4. Lack of right of access to and from said land. The within described property does not appear of record to have access to a public street or way.


1 The stipulation is signed by all parties who have appeared in the action. This notice has  
2 been served by mail on each defendant served with summons and complaint herein.

3  
4 

5 Hunter B. Emerick, OSB 84136  
6 Attorney for Plaintiff

12/29/99

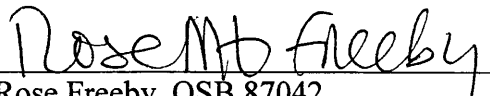
DATE

7 

8 David Hilgemann, OSB 72121  
9 Attorney for SSG Investments, LLC and  
10 Management Group of Oregon

12/29/99

DATE

11 

12 Rose Freeby, OSB 87042  
13 Attorney for Metlife Capital Financial  
14 Corporation

1/4/00

DATE